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Statistics of civil cases for debt (Preliminary)

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Key findings as at the end of August 2006

The number of civil summonses issued for debt increases

The total number of civil summonses issued for debt for the three months ended August 2006 increased by 9,5% compared with the three months ended August 2005.

In contrast, the total number of civil summonses issued for debt for the three months ended August 2005 reflects a 2,3% decrease compared with the three months ended August 2004.

The major contributor to the increase of 9,5% in civil summonses issued for debt for the three months ended August 2006 compared with the three months ended August 2005, was money lent (+9,6 percentage points). There was, however, a decrease of 2,5 percentage points with regard to civil summonses of 'other services' (see Table 6 column 2 page 10).

The total number of civil summonses issued for debt for August 2006 increased by 4,6% compared with August 2005.

The number of civil judgements recorded for debt decreases

The total number of civil judgements recorded for debt for the three months ended August 2006 decreased by 9,7% compared with the three months ended August 2005.

In contrast, the total number of civil judgements recorded for debt for the three months ended August 2005 increased by 4,2% compared with the three months ended August 2004.

The major contributors to the decrease of 9,7% in the number of civil judgements recorded for debt for the three months ended August 2006 compared with the three months ended August 2005, were civil judgements in respect of money lent (-4,6 percentage points), 'other services' (-3,6 percentage points) and promissory notes and others (-1,8 percentage points). However, this decrease was partially counteracted by an increase in 'other' debts (+1,3 percentage points) (see Table 6 column 3 page 10).

The value of civil judgements recorded for debt increases

The total value of civil judgements recorded for debt for the three months ended August 2006 increased by 3,4% compared with the three months ended August 2005.

In contrast, the total value of civil judgements recorded for debt for the three months ended August 2005 decreased by 8,7% compared with the three months ended August 2004.

The major contributors to the increase of 3,4% in the value of civil judgements recorded for the three months ended August 2006 compared with the three months ended August 2005, were civil judgements recorded in respect of 'other' debts (+5,3 percentage points) and goods sold on account (+1,7 percentage points). However, this increase was partially counteracted by a decrease in judgements recorded for money lent (-3,6 percentage points) and promissory notes and others (-2,0 percentage points) (see Table 6 column 4 page 10).

The total value of civil judgements recorded for debt for August 2006 decreased by 9,7% compared with August 2005.

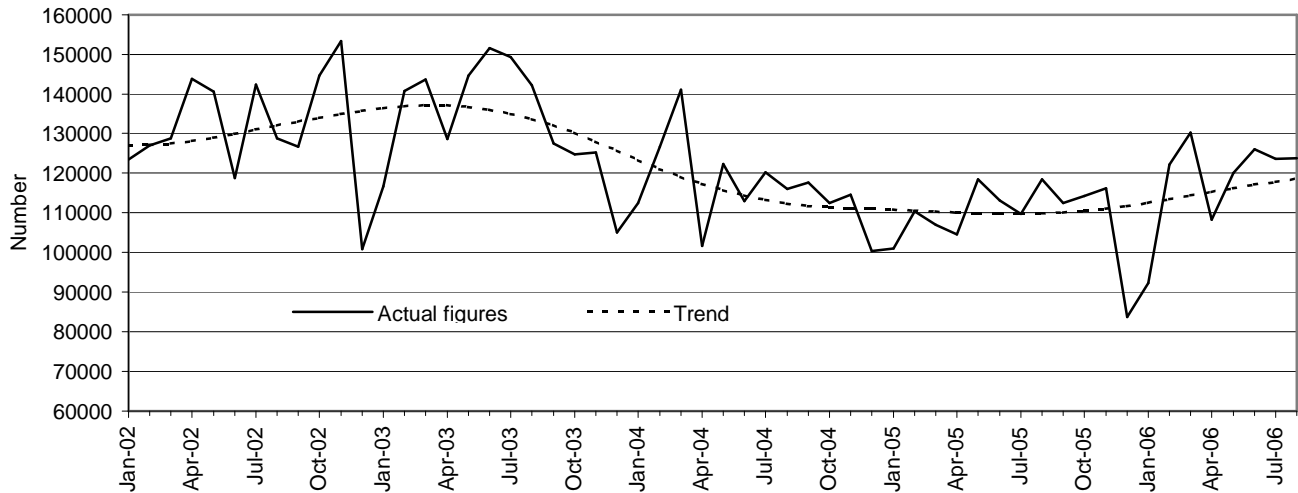
During August 2006, 73 869 civil judgements for debt, amounting to R544,4 million, were recorded. The largest contributors to the R544,4 million were civil judgements relating to money lent (R164,6 million or 30,2%) and 'other' debts (R120,0 million or 22,0 %) (see Table 4 page 9).

Key figures for the month of August 2006

	August 2006	% change between August 2005 and August 2006	% change between June 2005 to August 2005 and June 2006 to August 2006
Actual estimates			
Number of civil summonses issued for debt	123 834	4,6	9,5
Number of civil judgements recorded for debt	73 869	-9,5	-9,7
Value of civil judgements recorded for debt (R million)	544,4	-9,7	3,4

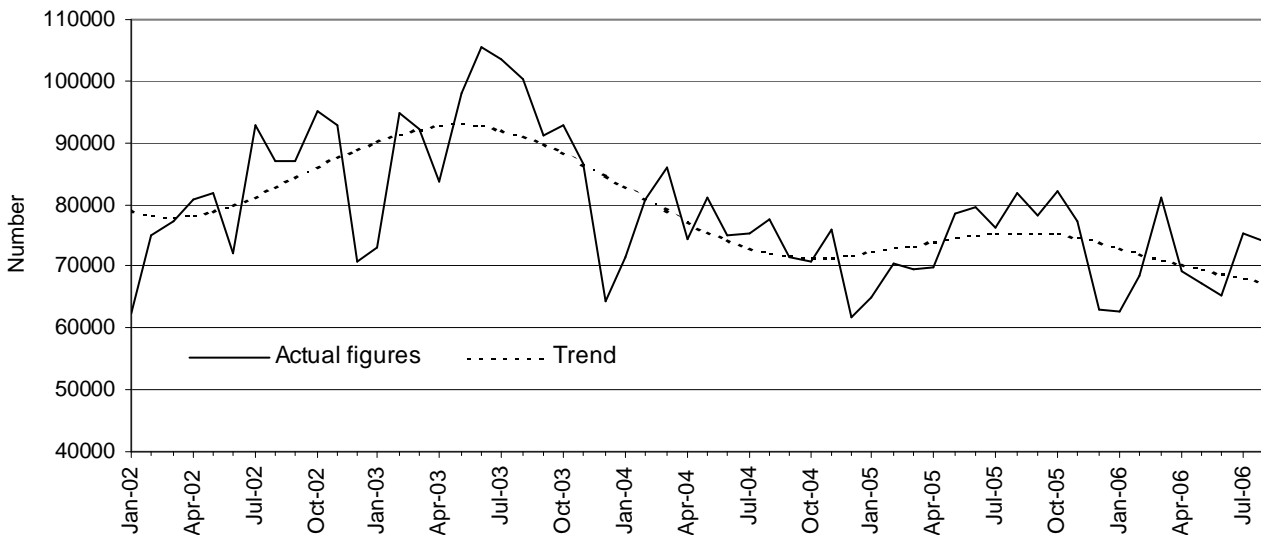
Figures 1 and 2 outline the number of civil summonses issued and civil judgements recorded for debt from 2002 to 2006 respectively. In figure 1 since March 2002 the trend estimates for the total number of civil summonses issued for debt showed an increasing trend until April 2003. The trend started decreasing from June 2003 until September 2004 but levelled off until October 2005. The trend has been rising since November 2005.

Figure 1 - Civil summonses issued for debt



In figure 2 since April 2002 the trend estimates for civil judgements recorded for debt showed an increasing trend until May 2003. The trend has decreased since June 2003 until October 2004 but since November 2004 it has increased slightly until September 2005 and has been decreasing since then.

Figure 2 - Civil judgements recorded for debt



PJ Lehohla
Statistician-General

Table 1 - Number of civil cases recorded and summonses issued for debt according to business enterprises and private persons

Item	Business enterprises and private persons				Private persons			
	2005	2005	2006	2006	2005	2005	2006	2006
		Aug.	Jul.	Aug. 1/		Aug.	Jul.	Aug. 1/
1. Cases recorded								
1.1 Actual figures	1 514 116	137 409	139 625	137 576	1 373 027	125 367	124 805	122 329
1.2 Seasonally adjusted		132 464	134 996	131 944		120 618	120 757	116 980
2. Civil summonses for debt								
2.1 Goods sold								
2.1.1 Open account	159 679	13 537	15 100	14 428	138 886	11 929	13 265	12 538
2.1.2 Instalment sale transactions	51 566	5 362	3 280	3 504	46 903	4 944	2 447	2 723
2.2 Services								
2.2.1 Professional	152 858	14 780	11 632	12 967	133 286	12 203	9 960	10 303
2.2.2 Other	229 019	22 319	16 488	17 150	208 046	20 536	14 130	14 868
2.3 Rent	49 151	4 592	4 234	4 339	39 785	3 986	3 132	3 379
2.3.1 Money lent	296 341	24 480	36 643	36 633	277 400	23 550	34 844	34 527
2.3.2 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	128 403	13 217	11 853	10 086	118 238	12 272	10 550	9 132
2.6 Other debts	241 952	20 074	24 432	24 727	215 513	18 029	21 420	21 633
2.7 Total								
2.7.1 Actual figures	1 308 969	118 361	123 662	123 834	1 178 057	107 449	109 748	109 103
2.7.2 Seasonally adjusted		112 793	118 071	117 553		102 065	104 928	103 158

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Table 2 - Number of civil cases recorded according to selected magistrates' offices

Year or month	Cape Peninsula	Port Elizabeth	East-London	Kimberley	Pietermaritzburg	Durban	Johannesburg	East Rand	West Rand	Pretoria	Vereeniging and Vanderbijlpark	Bloemfontein
2004	143 146	81 408	37 375	13 044	19 321	121 484	169 721	87 621	51 872	128 803	25 498	55 835
2005	165 535	69 776	38 487	9 248	20 091	77 468	156 641	58 486	58 984	138 300	27 437	59 361
2005 - J	11 896	6 551	2 247	545	1 578	10 239	14 059	3 943	4 003	9 006	2 093	4 441
F	14 772	6 551	3 172	895	1 781	9 815	11 918	5 120	5 274	12 240	2 592	4 182
M	11 976	5 099	2 889	632	1 439	5 740	13 198	4 899	4 666	10 904	2 980	4 604
A	13 600	4 474	2 504	801	1 526	3 230	13 299	5 143	3 967	14 042	2 991	4 808
M	12 386	7 915	3 151	997	2 268	5 435	14 706	6 654	5 028	12 756	1 832	4 884
J	15 193	6 117	3 350	721	1 636	4 921	12 201	4 335	5 686	12 114	1 794	5 073
J	13 402	4 474	3 240	873	1 894	4 921	12 726	4 973	5 567	11 494	2 127	5 083
A	18 630	5 573	2 941	861	2 220	7 311	14 095	4 914	5 759	11 839	3 311	5 249
S	15 391	5 612	3 517	911	1 539	7 311	13 090	5 117	4 851	12 216	1 112	5 371
O	14 575	7 432	3 951	871	1 433	6 397	13 889	4 751	4 479	11 456	1 901	5 291
N	16 106	6 489	4 009	740	1 410	6 397	11 730	5 502	5 731	12 428	2 469	5 214
D	7 608	3 489	3 516	401	1 367	5 751	11 730	3 135	3 973	7 805	2 235	5 161
2006 - J	10 205	5 091	4 446	209	1 171	5 751	6 505	4 097	4 441	10 867	2 437	5 120
F	11 387	7 860	5 785	756	1 751	5 751	13 143	4 652	7 231	12 266	2 492	5 117
M	14 010	8 082	6 013	732	1 742	6 285	14 398	5 761	6 259	14 272	2 994	4 789
A	11 657	5 239	4 285	311	1 290	6 364	12 046	5 658	4 454	8 127	3 028	5 191
M	13 981	5 393	2 620	741	1 893	4 925	15 758	5 585	5 489	11 299	3 200	5 253
J	13 359	6 628	5 688	555	1 254	4 999	16 849	5 418	4 411	10 018	5 307	5 244
J	12 981	5 770	5 218	442	1 348	5 867	16 060	6 478	5 190	10 318	3 847	5 449
A	12 804	3 824	4 814	480	1 348	5 796	15 146	6 702	5 147	8 550	2 712	5 513

Table 3 - Number of civil default and consent judgements for debt according to business enterprises and private persons

Item	Business enterprises and private persons				Private persons			
	2005	2005	2006	2006	2005	2005	2006	2006
		Aug.	Jul.	Aug. 1/		Aug.	Jul.	Aug. 1/
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	114 109	9 948	10 961	10 833	104 472	9 050	9 934	10 096
1.1.2 Instalment sale transactions	16 620	1 624	952	914	14 927	1 467	832	783
1.2 Services								
1.2.1 Professional	83 017	7 514	7 365	6 790	77 613	7 012	6 818	5 829
1.2.2 Other	122 987	11 487	8 388	8 580	115 538	10 651	7 856	8 069
1.3 Rent	29 088	1 894	2 133	2 027	22 870	1 531	1 758	1 535
1.4 Money lent	309 063	29 573	24 377	26 235	304 434	29 288	23 447	24 946
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	82 229	6 760	5 610	6 669	77 741	6 513	5 328	5 988
1.6 Other debts	134 032	12 861	15 458	11 821	121 147	11 288	12 449	10 613
1.7 Total								
1.7.1 Actual figures	891 145	81 661	75 244	73 869	838 742	76 800	68 422	67 859
1.7.2 Seasonally adjusted		75 585	70 655	68 239		70 760	64 049	62 439

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Table 4 - Value of civil default and consent judgements for debt according to business enterprises and private persons

Item	Business enterprises and private persons				Private persons			
	2005	2005	2006	2006	2005	2005	2006	2006
		Aug.	Jul.	Aug. 1/.		Aug.	Jul.	Aug. 1/.
	R'000							
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	661 352	58 902	68 838	66 720	540 967	48 187	43 033	55 289
1.1.2 Instalment sale transactions	273 731	19 149	22 050	21 772	227 774	16 136	15 817	16 821
1.2 Services								
1.2.1 Professional	258 691	16 795	19 968	35 658	219 341	14 427	16 203	30 934
1.2.2 Other	601 147	51 198	56 098	52 268	507 366	41 964	44 575	43 417
1.3 Rent	217 608	15 307	19 409	21 782	155 938	10 079	13 215	13 768
1.4 Money lent	2 152 458	212 450	160 603	164 607	2 028 303	205 979	151 633	150 400
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	822 425	78 151	65 366	61 563	729 677	74 139	58 567	54 182
1.6 Other debts	1 663 448	150 733	158 271	119 994	1 281 651	111 290	95 121	90 089
1.7 Total								
1.7.1 Actual figures	6 650 860	602 685	570 603	544 364	5 691 017	522 201	438 164	454 900
1.7.2 Seasonally adjusted		566 551	539 198	512 063		486 296	439 837	425 511

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Table 5 - Percentage change in the total number and value of debts recorded between the current quarter and the corresponding quarter of the previous year.

	Actual estimates June 2005 to August 2005	Actual estimates June 2006 to August 2006	% change between June 2005 to August 2005 and June 2006 to August 2006	Difference between June 2005 to August 2005 and June 2006 to August 2006
Number of summonses for debt	341 178	373 489	9,5%	32 311
Number of judgements for debt	237 305	214 356	-9,7%	-22 949
Value of judgements for debt (R million)	1 609,3	1 664,1	3,4%	54,8

Table 6 - Contribution of the different kinds of debts to the total number and value of debts recorded for the current quarter and the corresponding quarter of the previous year.

Different kinds of debts	Contribution percentage points to the percentage change in the total number of summonses for debt	Contribution percentage points to the percentage change in the total number of civil judgements for debt	Contribution percentage points to the percentage change in the total value of civil judgements for debt
Goods sold			
Open account	1,4	0,5	1,7
Instalment sale transactions	-1,5	-0,8	-0,3
Professional services	-1,3	-0,8	0,8
Other services	-2,5	-3,6	0,7
Rent	0,3	0,2	0,8
Money lent	9,6	-4,6	-3,6
Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt	-0,6	-1,8	-2,0
Other debts	4,1	1,3	5,3
Total	9,5	-9,7	3,4

The contribution (percentage points) is calculated by multiplying the quarterly percentage change of each kind of debt with the percentage contribution to the total number or value of cases recorded during June 2005 to August 2005, divided by 100.

Table 7 - Percentage change in the total number and value of debts recorded between the current month and the corresponding month of the previous year.

	Actual estimates August 2005	Actual estimates August 2006	% change between August 2005 and August 2006	Difference between August 2005 and August 2006
Number of summonses for debt	118 361	123 834	4,6%	5 473
Number of judgements for debt	81 661	73 869	-9,5%	-7 792
Value of judgements for debt (R million)	602,7	544,4	-9,7%	54,2

Explanatory notes

Introduction	<p>1 Statistics South Africa (Stats SA) conducts a monthly sample survey of civil cases recorded and civil summonses for debt issued in South Africa. This information is obtained from selected magistrates' offices.</p> <p>2 Except for cases recorded, all other information relates to debt cases only, therefore claims for damages, ejection orders and other non-debt cases are excluded.</p>
Purpose of the survey	<p>3 The survey of Civil Cases for Debt covers a sample of magistrates' offices in South Africa, excluding the former Transkei, Bophuthatswana, Venda and Ciskei (TBVC states). This survey collects information regarding civil cases recorded, civil summonses issued and civil judgements recorded in order to provide users with information on the extent of unpaid debt in South Africa. The results of the survey are used by the private and public sectors as an indicator of economic performance.</p>
Scope of the survey	<p>4 This survey covers -</p> <ul style="list-style-type: none"> • number of civil cases recorded; • number of civil summonses issued for debt; • number of civil judgements recorded for debt; and • value of civil judgements recorded for debt.
Statistical unit	<p>5 The statistical unit for collection of information is a magistrates' office. Magistrates' offices include the small claims courts.</p> <p>The largest magistrates' offices in South Africa, which account for approximately 95% of all the civil cases in South Africa, are included in the monthly survey of civil cases recorded and civil summonses for debt issued. The smallest magistrates' offices are not used in the sample. A sample of 151 magistrates' offices is drawn using only the number of civil cases recorded as the measure of size.</p>
Survey methodology and design	<p>6 The survey is conducted by mail each month from approximately 151 magistrates' offices.</p>
Response rate	<p>7 The response rate for the civil cases for debt for August 2006 was 90,7%.</p>
Trend cycle	<p>8 Smoothed seasonally adjusted and trend estimates are generated using the X-11 Seasonal Adjustment Programme.</p>
Publications	<p>9 Users may also wish to refer to the following publications:</p> <ul style="list-style-type: none"> • <i>Bulletin of Statistics</i> issued quarterly. • <i>SA Statistics</i> issued annually.
Unpublished statistics	<p>10 In some cases Stats SA can also make available statistics which are not included in standard publications. The statistics can be made available in one or more of the following ways: computer printout, CD or diskette. Generally a charge is made for providing unpublished statistics.</p>
Symbols and abbreviations	<p>11 R/D Refer to Drawer CD Compact Disc Stats SA Statistics South Africa TBVC Transkei, Bophuthatswana, Venda, Ciskei.</p> <p>* Revised figures</p>

Glossary

Acknowledgement of debt	Acknowledgement of debt is a statement by a person/debtor in which he admits that he owes money to an individual or a company or a bank.
Bills	Bills are statements of charges for services rendered or for amounts owed.
Civil judgements	Civil judgements are decisions taken in a civil matter or a dispute between two people or parties.
Civil summonses	Civil summonses are notices to appear before the court of law where a dispute between two parties or people has to be heard, i.e. not for a criminal offence.
Consent judgements	Consent judgements refer to where a debtor agrees to subject himself/herself to obey or accept a judgement of a court against him for a debt he owes without defending the action. This usually happens before the debtor signs a binding contract, e.g. a loan agreement.
Default judgements	Default judgements refer to where the court gives a judgement or a ruling against the defendant who is not present in court and was previously given a notice that was ignored, i.e. a judgement was given against a party or an individual while not present in court.
Instalment sale transaction	Instalment sale transaction relates to where a person buys goods on credit and pays for them in instalments, e.g. every week or month, until he/she settles the debt.
Litigants	Litigants are people who take part in court proceedings, usually against each other, like a debtor and a creditor.
Litigants referred	Litigants referred relates to a case where the parties have been referred to another instance/court.
Open account transaction	Open account transactions are revolving credit, i.e. where an account does not have a final payment date and a person can always take more goods and keep paying as long as he has credit.
Other services	“Other services” refers to municipal services (except outstanding assessment rates), plumbers, builders, mechanics, panel-beaters and electricians.
Other debts	“Other debts” refers to all other kinds of outstanding debts such as salaries and wages, outstanding medical fund debts, outstanding sponsored debts, outstanding class and tuition debt, outstanding income and sales, tax, outstanding assessment rates, outstanding money in respect of television maintenance contracts and outstanding money in respect of flat levies.
Plaintiff	Plaintiff is a person/party in a civil case who asks the court for judgement against another person.
Professional services	Professional services refer to medical doctors/dentists, advocates/attorneys, auditors/accountants, architects, engineers and hospital services.
Promissory note	Promissory note is a written note, signed by one person, in which he promises to pay money to another person or to the bearer of such a note on a specific date or on demand.
Reference month	Reference month refers to one calendar month.
Refer to drawer (R/D) cheques	R/D cheques refer to dishonoured cheques. The drawer is the owner of the cheque. When a person issues a cheque and there is no money in the cheque account, the bank will refuse to pay the bearer. The cheque will be referred back to the drawer.

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