

**P0041**

# **Statistics of civil cases for debt**

**December 2001**

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## Key figures for the month ended December 2001

<b>Actual estimates</b>	<b>December 2001</b>	<b>% change between December 2000 and December 2001</b>	<b>% change between October 2000 to December 2000 and October 2001 to December 2001</b>	<b>% change between January 2000 to December 2000 and January 2001 to December 2001</b>
Number of civil summonses issued for debt	97 804	+1,1	-0,7	-0,7
Number of civil judgements recorded for debt	77 258	+30,8	+15,6	+5,3
Value of civil judgements recorded for debt (R million)	738,4	+63,9	+26,1	+29,7

<b>Seasonally adjusted estimates</b>	<b>December 2001</b>	<b>% change between November 2001 and December 2001</b>	<b>% change between July 2001 to September 2001 and October 2001 to December 2001</b>
Number of civil summonses issued for debt	130 719	-1,1	+2,6
Number of civil judgements recorded for debt	88 508	+0,4	+1,5
Value of civil judgements recorded for debt (R million)	880,8	+3,6	+3,2

## Key findings for the year 2001

**The total number of civil summonses issued for debt lower than a year ago**

*The total number of civil summonses issued for debt for the year 2001 decreased by 0,7% compared with the year 2000.*

The major contributor to the decrease of 0,7% in civil summonses issued for debt for the year 2000 compared with 2001 was civil summonses issued in respect of 'other' services (-4,2 percentage points). However, this decrease was partially counteracted by an increase in money lent (+2,3 percentage points) and rent (+0,9 of a percentage point).

### **The total number of civil judgements recorded for debt higher than a year ago**

*The total number of civil judgements recorded for debt for the year 2001 increased by 5,3% compared with the year 2000.*

The major contributor to the increase of 5,3% in the number of civil judgements recorded for debt for the year 2000 compared with 2001 was civil judgements recorded for debt in respect of money lent (+5,6 percentage points). However, this increase was partially counteracted by a decrease in goods sold on account (-1,2 percentage points).

### **The total value of civil judgements recorded for debt higher than a year ago**

*The total value of civil judgements recorded for debt for the year 2001 increased by 29,7% compared with the year 2000.*

The major contributors to the increase of 29,7% in the value of civil judgements recorded for debt for the year 2000 compared with 2001 were civil judgements recorded for debt in respect of 'other' debts (18,2 percentage points), goods sold on account (+4,0 percentage points) and money lent (+3,3 percentage points).

### **Key findings as at the end of December 2001**

*The total number of civil summonses issued for debt for the fourth quarter of 2001, after seasonal adjustment, increased by 2,6% compared with the third quarter of 2001. However, the total number of civil summonses issued for debt for the fourth quarter of 2001 decreased slightly by 0,7% compared with the fourth quarter of 2000.*

The major contributor to the decrease of 0,7% in civil summonses issued for debt for the fourth quarter 2001 compared with the fourth quarter 2000 was civil summonses issued in respect of 'other' services (-6,8 percentage points). This decrease was partially counteracted by an increase in money lent (+5,5 percentage points).

### **The total number of civil judgements recorded for debt increases**

*The total number of civil judgements recorded for debt for the fourth quarter of 2001, after seasonal adjustment, increased by 1,5% compared with the third quarter of 2001. Furthermore, the total number of civil judgements recorded for debt for the fourth quarter of 2001 increased by 15,6% compared with the fourth quarter 2000.*

The major contributors to the increase of 15,6% in the number of civil judgements recorded for debt for the fourth quarter of 2001 compared with the fourth quarter of 2000 were civil judgements recorded in respect of money lent (+9,1 percentage points) and 'other' services (+5,2 percentage points). This increase was partially counteracted by a decrease in 'other' debts (-5,0 percentage points).

### **The total value of civil judgements recorded for debt increases**

*The total value of civil judgements recorded for debt for the fourth quarter of 2001, after seasonal adjustment, increased by 3,2% compared with the third quarter of 2001. Furthermore, the total value of civil judgements recorded for debt for the fourth quarter of 2001 increased by 26,1% compared with the fourth quarter of 2000.*

The major contributors to the increase of 26,1% in the value of civil judgements recorded for debt for the three months ended December 2001 compared with the three months ended December 2000 were civil judgements recorded in respect of 'other' services (+6,5 percentage points) and goods sold on account (+9,4 percentage points).

During December 2001, 88 508 civil judgements for debt amounted to R738,4 million. The largest contributors to the R738,4 million were civil judgements relating to money lent (27,5% or R203,0 million) and 'other' services (17,5% or R128,9 million).

## Notes

<b>Forthcoming issues</b>	<b>Issue</b>	<b>Expected release date</b>
	January 2002	28 March 2002
	February 2002	25 April 2002
	March 2002	23 May 2002
	April 2002	20 June 2002
	May 2002	25 July 2002
	June 2002	22 August 2002
	July 2002	26 September 2002
	August 2002	24 October 2002
	September 2002	21 November 2002
	October 2002	19 December 2002
	November 2002	15 January 2003
	December 2002	19 February 2003

### **Purpose of the survey**

The survey of Civil Cases for Debt covering a sample of magistrates' offices in South Africa excluding the former Transkei, Bophuthatswana, Venda and Ciskei (TBVC states). These 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.

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# Additional information

## Explanatory Notes

### Introduction

- 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.
- 2 This statistical release reflects a sample of all civil cases recorded and summonses issued against business enterprises and private persons in selected magistrates' offices.
- 3 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.

### Scope of the survey

- 4 This survey covers:
  - Number of civil cases recorded.
  - Number of civil summonses for debt issued.
  - Number of civil judgements for debt.
  - Value of civil judgements for debt.
- 5 Small claims courts serve as a forum for the adjudication of money claims against individuals or firms. It is for use by the general public only and not for business enterprises.

6

The following actions are excluded from the jurisdiction of small claims courts -

- claims exceeding R3 000 in value;
- claims against the state;
- claims based on cession or the transfer of rights;
- claims for damages in respect of defamation, malicious prosecution, wrongful imprisonment, wrongful arrest, seduction and breach of promise to marry;
- claims for the dissolution of a marriage;
- claims concerning the validity of a will;
- claims concerning the status of a person in respect of his mental capacity; and
- claims in which the performance in accordance with a contract is sought, without an alternative claim for payment of damages, except in the case of a claim for rendering an account or transferring movable or immovable property not exceeding R3 000 in value.

### Comparability

- 7 The information in respect of magistrates' courts shown in this statistical release refers to debt cases only and is therefore not strictly comparable with the information shown for the small claims courts.
- 8 The jurisdiction limit for civil cases handled by magistrates' offices (R20 000 for liquid assets and R50 000 for non-liquid assets) was increased to R100 000 as from 1 December 1995. A comparison with the period prior to December 1995 must thus be handled with circumspection.

<b>Statistical unit</b>	<p><b>9</b> The statistical unit for collection of information is a magistrate's office. Magistrate's offices include the small claims courts.</p> <p><b>10</b> 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 sample survey of civil cases recorded and civil summonses for debt issued. The smallest magistrates' offices are not used in the sample. A sample of 152 magistrates offices is drawn using only the number of civil cases recorded as the measure of size.</p>
<b>Survey methodology and design</b>	<p><b>11</b> The survey is conducted by mail each month from approximately 152 magistrates' offices.</p>
<b>Seasonal adjustment</b>	<p><b>12</b> Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be more clearly recognised. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular month. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. This means the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour.</p>
<b>Trend cycle</b>	<p><b>13</b> Smoothed seasonally adjusted estimates are generated using the X-11 Seasonal Adjustment Programme.</p>
<b>Publications</b>	<p><b>14</b> Users may also wish to refer to the following publications:</p> <ul style="list-style-type: none"> <li>• Bulletin of Statistics issued quarterly.</li> <li>• SA Statistics issued annually.</li> </ul>
<b>Unpublished statistics</b>	<p><b>15</b> In some cases Stats SA can also make available statistics which are not published. 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>
<b>Symbols and abbreviations</b>	<p><b>16</b> R/D      Refer to Drawer  CD        Compact Disc  Stats SA   Statistics South Africa  TBVC     Transkei, Bophuthatswana, Venda, Ciskei.</p>
<b>Technical notes</b>	
<b>Response rates</b>	<p>The response rate for December was 94,0%</p>

# Glossary

<b>Acknowledgement of debt</b>	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.
<b>Bills</b>	Bills are statements of charges for services rendered or for amounts owed.
<b>Civil judgements</b>	Civil judgements are decisions taken in a civil matter or a dispute between two people or parties.
<b>Civil summonses</b>	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.
<b>Consent judgements</b>	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.
<b>Default judgements</b>	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.
<b>Hearings</b>	Hearings are proceedings in a court where the court listens or hears the submission or presentation in support of their cases where the two parties submitted the evidence in support of their cases.
<b>Instalment sale transactions</b>	Instalment sale transactions 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.
<b>Litigants</b>	Litigants are people who take part in court proceedings, usually against each other, like a debtor and a creditor.
<b>Litigants referred</b>	Litigants referred relates to a case where the parties have been referred to another instance/court.
<b>Open account transaction</b>	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.
<b>Other services</b>	“Other services” refers to municipal services (except outstanding assessment rates), plumbers, builders, mechanics, panel-beaters and electricians.
<b>Other kinds of debt</b>	“Other kinds of debts” refers to outstanding 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.
<b>Plaintiff</b>	Plaintiff is a person/party in a civil case who asks the court for judgement against another person.
<b>Promissory note</b>	Promissory notes are written notes, 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.
<b>Reference month</b>	Reference month refers to one calendar month. <sup>1</sup>
<b>Refer to drawer (RD) cheques</b>	RD 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.



**Small claims courts**

Small claims courts refer to courts where claims of R3 000 or less are heard. The presiding officer in these courts is called the commissioner. Litigants in the small claims courts do not have to make use of legal representatives.

**For more information**

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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			
	2001	2000	2001	2001	2001	2000	2001	2001
		Dec.	Nov.	Dec.		Dec.	Nov.	Dec.
1. Cases recorded								
1.1 Actual figures	1 816 744	111 413	179 500	122 114	1 658 927	102 410	163 771	113 544
1.2 Seasonally adjusted		145 999	155 022	160 362		133 195	139 728	147 213
2. Civil summonses for debt								
2.1 Goods sold								
2.1.1 Open account	247 764	14 714	23 421	12 918	220 955	13 291	20 686	11 471
2.1.2 Instalment sale transactions	45 508	2 339	4 565	3 234	41 102	2 103	4 031	3 027
2.2 Services								
2.2.1 Professional	169 338	11 308	15 814	10 849	161 768	10 747	15 005	10 391
2.2.2 Other	322 819	22 213	26 602	19 030	301 552	20 485	24 768	17 792
2.3 Rent	82 090	5 188	7 602	4 533	65 415	4 022	5 837	3 671
2.4 Money lent	354 041	19 067	37 587	23 306	337 943	18 193	35 811	22 492
2.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	111 712	6 174	9 460	7 298	96 395	5 394	8 369	6 598
2.6 Other	233 487	15 740	19 641	16 636	209 057	14 283	16 994	14 831
2.7 Total								
2.7.1 Actual figures	1 566 759	96 743	144 692	97 804	1 434 188	88 517	131 501	90 273
2.7.2 Seasonally adjusted		128 564	132 132	130 718		117 857	120 157	120 480

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Table 2 - Number of civil cases recorded in 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
2000	216 481	116 963	36 979	17 474	35 897	115 562	113 989	94 347	44 280	134 031	44 545	33 581
2001	200 575	129 137	30 998	19 520	42 098	109 605	116 694	85 965	43 278	186 626	38 956	48 186
2000 - J	10 668	11 056	5 408	1 161	2 093	7 620	9 349	7 528	3 221	8 083	4 678	2 417
F	18 081	10 629	3 529	1 840	3 453	12 037	9 665	6 721	3 844	18 499	5 302	3 361
M	21 376	9 636	5 075	1 957	3 244	9 826	12 368	7 719	4 694	10 326	4 610	3 246
A	18 080	4 931	2 405	1 221	2 453	8 514	7 207	6 803	3 206	8 614	2 581	1 230
M	21 903	10 615	1 787	1 657	2 763	9 729	9 615	7 109	5 149	21 124	3 702	2 374
J	17 375	7 860	2 066	1 370	2 620	13 017	12 529	8 040	3 957	10 779	2 906	3 497
J	16 251	9 682	4 937	1 204	3 594	9 352	9 998	8 252	3 664	9 205	3 668	2 705
A	21 516	10 103	2 555	1 225	4 020	10 400	8 852	8 347	3 837	7 609	2 558	2 778
S	16 811	11 157	2 099	1 039	2 725	8 862	8 419	6 946	3 129	10 055	4 072	2 876
O	18 226	11 678	1 894	1 842	2 417	9 857	8 419	9 843	3 673	10 870	3 362	3 516
N	21 303	14 388	2 876	1 516	4 026	9 305	10 352	9 972	3 212	11 268	3 799	3 096
D	14 891	5 228	2 348	1 442	2 489	7 043	7 216	7 067	2 694	7 599	3 307	2 485
2001 - J	12 891	9 509	1 938	1 442	3 771	6 484	7 216	7 507	3 341	11 824	3 766	6 619
F	16 231	8 948	6 556	1 035	3 877	10 829	10 785	8 718	3 704	14 951	2 813	6 619
M	23 003	10 380	3 444	1 791	3 911	10 800	12 462	8 077	3 379	16 437	2 727	1 722
A	19 119	13 057	1 708	1 842	3 300	9 504	11 320	6 134	3 220	13 222	2 261	2 636
M	21 742	12 519	3 606	1 370	4 370	9 582	11 733	8 159	4 194	19 208	2 754	2 672
J	18 385	10 095	2 367	2 028	4 646	9 000	10 826	8 252	4 067	15 049	2 277	920
J	16 644	12 649	2 139	1 657	3 721	7 614	9 282	7 352	3 405	13 749	5 577	2 763
A	16 885	10 208	1 903	1 297	3 946	9 396	10 649	6 203	3 542	11 214	6 587	4 352
S	13 065	10 443	1 775	1 957	2 410	7 270	8 720	5 032	3 550	9 986	2 337	2 596
O	15 149	10 443	2 182	1 722	3 082	10 130	8 720	7 559	3 270	15 285	2 922	2 709
N	15 508	10 443	2 225	1 722	3 315	11 873	8 720	7 007	5 306	27 118	2 894	6 617
D	11 953	10 443	1 155	1 657	1 749	7 123	6 261	5 965	2 300	18 583	2 041	7 961

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			
	2001	2000	2001	2001	2001	2000	2001	2001
		Dec.	Nov.	Dec.		Dec.	Nov.	Dec.
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	132 982	8 505	12 894	9 107	121 833	7 781	11 882	8 415
1.1.2 Instalment sale transactions	19 308	955	1 809	1 490	17 123	854	1 597	1 284
1.2 Services								
1.2.1 Professional	97 135	5 442	9 446	7 251	93 409	5 239	8 947	6 835
1.2.2 Other	177 213	9 624	18 643	13 422	168 679	9 053	18 018	12 933
1.3 Rent	46 507	1 945	4 239	4 781	38 452	1 471	3 356	4 205
1.4 Money lent	310 626	15 328	29 338	24 143	303 432	14 875	28 878	23 768
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	85 215	4 808	7 245	6 857	78 706	4 295	6 918	6 485
1.6 Other	151 950	12 441	12 363	10 207	141 640	11 599	11 422	9 486
1.7 Total								
1.7.1 Actual figures	1 020 936	59 048	95 977	77 258	963 275	55 166	91 018	73 411
1.7.2 Seasonally adjusted		67 971	88 165	88 508		63 538	83 681	84 226

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			
	2001	2000	2001	2001	2001	2000	2001	2001
		Dec.	Nov.	Dec.		Dec.	Nov.	Dec.
R1 000								
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	1 025 239	36 547	96 511	143 315	847 514	26 826	81 941	131 683
1.1.2 Instalment sale transactions	353 805	19 278	32 925	23 612	286 167	16 840	28 655	19 829
1.2 Services								
1.2.1 Professional	206 323	9 291	17 440	11 808	188 119	8 320	15 643	10 540
1.2.2 Other	806 648	33 427	64 518	128 896	729 328	30 377	59 134	123 738
1.3 Rent	346 745	14 219	32 909	34 208	247 904	8 851	24 672	27 588
1.4 Money lent	2 958 305	144 541	303 444	202 980	2 746 447	129 875	271 056	194 671
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	760 304	43 745	75 334	71 462	623 897	37 740	68 939	63 483
1.6 Other	2 728 196	149 404	213 178	122 121	2 078 528	118 088	147 557	68 244
1.7 Total								
1.7.1 Actual figures	9 185 565	450 452	836 259	738 402	7 747 908	376 917	697 599	639 775
1.7.2 Seasonally adjusted		539 593	849 912	880 846		458 968	713 449	776 608

Table 5 - Number of small claims courts, litigants referred, summonses issued and hearings: 1990 to 1999

Year	Small claims courts	Litigants referred	Summonses issued	Hearings
1990	92	16 474	16 551	15 540
1991	103	16 857	19 520	17 814
1992	106	18 906	24 942	23 421
1993	109	19 502	24 929	23 953
1994	111	20 101	25 112	25 356
1995	113	20 154	24 905	25 746
1996	120	21 230	27 463	27 690
1997	115	13 423	25 417	26 622
1998	121	22 546	28 622	27 672
1999	127	34 897	30 592	30 651

Source: Department of Justice